

**Exhibit "A"**



Entered on Docket  
June 23, 2006

**Hon. Linda B. Riegle  
United States Bankruptcy Judge**

7 STUTMAN, TREISTER & GLATT, P.C.  
8 FRANK A. MEROLA  
(CA State Bar No. 136934)  
9 EVE H. KARASIK  
(CA State Bar No. 155356)  
10 CHRISTINE M. PAJAK  
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7 SHEA & CARLYON, LTD.  
8 JAMES PATRICK SHEA  
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15 *Counsel for the Official Committee of Equity Security Holders of  
USA Capital First Trust Deed Fund, LLC.*

**UNITED STATES BANKRUPTCY COURT  
DISTRICT OF NEVADA**

18	In re: USA COMMERCIAL MORTGAGE COMPANY Debtor.	) BK-S-06-10725-LBR )
19		) Chapter 11 )
20	In re: USA CAPITAL REALTY ADVISORS, LLC, Debtor.	) BK-S-06-10726-LBR )
21		) Chapter 11 )
22	In re: USA CAPITAL DIVERSIFIED TRUST DEED FUND, LLC, Debtor.	) BK-S-06-10727-LBR )
23		) Chapter 11 )
24	In re: USA CAPITAL FIRST TRUST DEED FUND, LLC, Debtor.	) BK-S-06-10728-LBR )
25		) Chapter 11 )
26	In re: USA SECURITIES, LLC, Debtor.	) BK-S-06-10729-LBR )
		) Chapter 11 )

**ORDER APPROVING ALVAREZ & MARSAL, LLC EMPLOYMENT APPLICATION**

**APPLICATION OF OFFICIAL COMMITTEE OF EQUITY SECURITY HOLDERS  
OF USA CAPITAL FIRST TRUST DEED FUND, LLC FOR ORDER AUTHORIZING  
EMPLOYMENT AND RETENTION OF ALVAREZ & MARSAL, LLC AS ITS  
FINANCIAL AND REAL ESTATE ADVISOR NUNC PRO TUNC TO JUNE 1, 2006  
(AFFECTS USA FIRST TRUST DEED FUND, LLC)**

10 This matter having come on for hearing on the "Application Of Official Committee Of  
11 Equity Security Holders Of USA Capital First Trust Deed Fund, LLC For Order Authorizing  
12 Employment And Retention Of Alvarez & Marsal, LLC As Its Financial And Real Estate  
13 Advisor Nunc Pro Tunc To June 1, 2006" (the "Application"); Eve H. Karasik, Esq. of the law  
14 firm of Stutman, Treister & Glatt, P.C. appearing on behalf of the Official Committee of  
15 Equity Security Holders of USA Capital First Trust Deed Fund, LLC (the "First Trust  
16 Committee"); and other appearances being noted on the record; and the Court having  
17 considered the Application; the Declaration of Matthew E. Kvarda in support thereof; the  
18 response thereto; the pleadings, papers and records on file in this matter; and it appearing to  
19 the Court that the advisors and consultants at A&M are disinterested persons who do not hold  
20 or represent an interest adverse to the Debtors' estates in the matters upon which they are to be  
21 engaged, and that their employment for the purposes set forth in the Application is in the best  
22 interest of USA First Trust Deed Fund, LLC and its estate; and good cause appearing,  
23

IT IS HEREBY ORDERED that the Application is granted and the First Trust Committee is authorized to employ A&M as its *nunc pro tunc* to June 1, 2006 as its financial

1 and real estate advisor pursuant to sections 330(a) and 1103(a) of the Bankruptcy Code on the  
2 terms set forth in the Application, the Declaration thereon, and any further order the Court  
3 may issue.

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5 SUBMITTED BY:

6 STUTMAN, TREISTER & GLATT, P.C.

7 

8 Frank A. Merola, Esq.  
9 Eve H. Karasik, Esq.  
10 Christine M. Pajak, Esq.  
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12 Los Angeles, CA 90067

13 Counsel for the Official Committee of Equity  
14 Security Holders of USA Capital First Trust  
Deed Fund, LLC

15

16 APPROVED/DISAPPROVED:

17 SCHWARTZER & MCPHERSON, P.C.

18 

19 Lenard Schwartzer, Esq.  
Jeanette McPherson, Esq.  
3960 Howard Hughes Pkwy., 9<sup>th</sup> Floor  
Las Vegas, NV 89109

20 Counsel for the Debtors

21 APPROVED/DISAPPROVED:

22 GORDON & SILVER, LTD.

23 

24 Gerald M. Gordon, Esq.  
25 Gregory E. Garman, Esq.  
26 3960 Howard Hughes Pkwy., 9<sup>th</sup> Floor  
27 Las Vegas, NV 89109

28 Counsel for Official Committee of Holders of  
29 Executory Contract Rights of USA  
Commercial Mortgage Company

30 APPROVED/DISAPPROVED:

31 LEWIS AND ROCA, LLP

32 

33 ROB CHARLES, ESQ.  
34 SUSAN M. FREEMAN, ESQ.  
35 3993 Howard Hughes Parkway, 6th Floor  
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37 Counsel for Official Committee of Unsecured  
38 Creditors of USA Commercial Mortgage  
39 Company

1 APPROVED/DISAPPROVED:

2 ORRICK, HERRINGTON & SUTCLIFFE  
3 LLP

4   
5 MARC A. LEVINSON, ESQ.  
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8 [Proposed] Counsel for Official Committee  
9 of Equity Security Holders of USA Capital  
Diversified Trust Deed Fund, LLC

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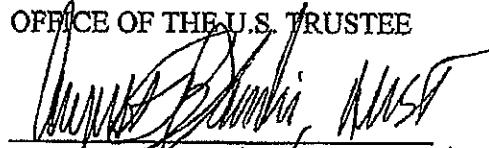
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REVIEWED BY:

OFFICE OF THE U.S. TRUSTEE

  
Scott Farrow, Esq. August B. Landis, AUST  
300 Las Vegas Blvd. So., #4300  
Las Vegas, NV 89101

**Exhibit "B"**

## Exhibit B

USA CAPITAL FIRST TRUST DEED FUND, LLC  
 Summary of Fees and Expenses By Person  
 June 1, 2006 - July 31, 2006

Name	Title	Hourly Rate	Total Time	Gross Fees	Net Fees and Expenses
Gregory G. Gotthardt	Managing Director	\$ 550	46.0	\$ 25,300.00	\$ 25,300.00
Matthew E. Kvarda	Senior Director	\$ 450	166.8	75,060.00	75,060.00
Dirk S. Aulabaugh	Senior Director	\$ 450	186.3	83,835.00	83,835.00
Stephen R. Peterson	Director	\$ 350	25.9	9,065.00	9,065.00
Jay Ian	Analyst	\$ 205	10.1	2,070.50	2,070.50
			<u>435.1</u>	<u>\$ 195,330.50</u>	<u>\$ 195,330.50</u>
			<u>Less: 15% Fee Reduction</u>	<u>(29,299.58)</u>	
				<u>166,030.93</u>	
				<u>2,339.68</u>	
				<u><u>\$ 168,370.61</u></u>	

**Exhibit "C"**

## Exhibit C

**USA CAPITAL FIRST TRUST DEED FUND, LLC**  
**Summary of Fees and Expenses By Matter**  
**June 1, 2006 - July 31, 2006**

Project Description	Total Time for the Period	Total Gross Fees for the Period	Total Net Fees for the Period
Analysis of FTD Fund Properties	243.9	\$108,540.50	\$92,259.43
Analysis of Restructuring/Litigation Alternatives	60.1	27,125.00	23,056.25
Analysis of Potential Purchase Offers	4.1	1,975.00	1,678.75
Analysis of Financing Alternatives	12.0	5,400.00	4,590.00
Attendance and Participation in Court Hearings	16.7	7,515.00	6,387.75
Analysis of Motions Filed in the Cases	7.5	3,375.00	2,868.75
Retention/Billing/Administrative Matters	8.4	3,920.00	3,332.00
Meetings/Teleconferences with Debtors and Debtors' Advisors	25.4	11,430.00	9,715.50
Meetings/Teleconferences with Committee and Committee's Advisors	45.7	20,965.00	17,820.25
Analysis of Distribution Issues	8.8	3,960.00	3,366.00
Analysis of Financial Information	2.5	1,125.00	956.25
	<b>435.1</b>	<b>\$ 195,330.50</b>	<b>\$ 166,030.93</b>

**Exhibit "D"**

## Exhibit D

**USA CAPITAL FIRST TRUST DEED FUND, LLC**  
**Summary of Fees By Person (Gotthardt)**  
**June 1, 2006 - July 31, 2006**

Project Description	Total Time for the Period	Total Gross Fees for the Period	Total Net Fees for the Period
Analysis of FTD Fund Properties	35.1	\$19,305.00	\$16,409.25
Analysis of Restructuring/Litigation Alternatives	0.8	440.00	374.00
Analysis of Potential Purchase Offers	1.3	715.00	607.75
Analysis of Financing Alternatives	-	-	-
Attendance and Participation in Court Hearings	-	-	-
Analysis of Motions Filed in the Cases	-	-	-
Retention/Billing/Administrative Matters	1.4	770.00	654.50
Meetings/Teleconferences with Debtors and Debtors' Advisors	-	-	-
Meetings/Teleconferences with Committee and Committee's Advisors	7.4	4,070.00	3,459.50
Analysis of Distribution Issues	-	-	-
Analysis of Financial Information	-	-	-
	<b>46.0</b>	<b>\$ 25,300.00</b>	<b>\$ 21,505.00</b>

## Exhibit C

**USA CAPITAL FIRST TRUST DEED FUND, LLC**  
**Summary of Fees and Expenses By Person (Kvarda)**  
**June 1, 2006 - July 31, 2006**

Project Description	Total Time for the Period	Total Gross Fees for the Period	Total Net Fees for the Period
Analysis of FTD Fund Properties	11.7	\$5,265.00	\$4,475.25
Analysis of Restructuring/Litigation Alternatives	57.2	25,740.00	21,879.00
Analysis of Potential Purchase Offers	2.8	1,280.00	1,071.00
Analysis of Financing Alternatives	12.0	5,400.00	4,590.00
Attendance and Participation in Court Hearings	16.7	7,515.00	6,387.75
Analysis of Motions Filed in the Cases	3.8	1,710.00	1,453.50
Retention/Billing/Administrative Matters	4.3	1,935.00	1,644.75
Meetings/Teleconferences with Debtors and Debtors' Advisors	23.5	10,575.00	8,988.75
Meetings/Teleconferences with Committee and Committee's Advisors	23.5	10,575.00	8,988.75
Analysis of Distribution Issues	8.8	3,960.00	3,366.00
Analysis of Financial Information	2.5	1,125.00	956.25
	<b>166.8</b>	<b>\$ 75,060.00</b>	<b>\$ 63,801.00</b>

## Exhibit C

**USA CAPITAL FIRST TRUST DEED FUND, LLC**  
**Summary of Fees By Person (Aulabaugh)**  
**June 1, 2006 - July 31, 2006**

Project Description	Total Time for the Period	Total Gross Fees for the Period	Total Net Fees for the Period
Analysis of FTD Fund Properties	164.5	\$74,025.00	\$62,921.25
Analysis of Restructuring/Litigation Alternatives	2.1	945.00	803.25
Analysis of Potential Purchase Offers	-	-	-
Analysis of Financing Alternatives	-	-	-
Attendance and Participation in Court Hearings	-	-	-
Analysis of Motions Filed in the Cases	3.7	1,665.00	1,415.25
Retention/Billing/Administrative Matters	2.7	1,215.00	1,032.75
Meetings/Teleconferences with Debtors and Debtors' Advisors	1.9	855.00	726.75
Meetings/Teleconferences with Committee and Committee's Advisors	11.4	5,130.00	4,360.50
Analysis of Distribution Issues	-	-	-
Analysis of Financial Information	-	-	-
	<b>186.3</b>	<b>\$ 83,835.00</b>	<b>\$ 71,259.75</b>

## Exhibit C

**USA CAPITAL FIRST TRUST DEED FUND, LLC**  
**Summary of Fees By Person (Peterson)**  
**June 1, 2006 - July 31, 2006**

Project Description	Total Time for the Period	Total Gross Fees for the Period	Total Net Fees for the Period
Analysis of FTD Fund Properties	22.5	\$7,875.00	\$6,693.75
Analysis of Restructuring/Litigation Alternatives	-	-	-
Analysis of Potential Purchase Offers	-	-	-
Analysis of Financing Alternatives	-	-	-
Attendance and Participation in Court Hearings	-	-	-
Analysis of Motions Filed in the Cases	-	-	-
Retention/Billing/Administrative Matters	-	-	-
Meetings/Teleconferences with Debtors and Debtors' Advisors	3.4	1,190.00	1,011.50
Meetings/Teleconferences with Committee and Committee's Advisors	-	-	-
Analysis of Distribution Issues	-	-	-
Analysis of Financial Information	-	-	-
	<b>25.9</b>	<b>\$ 9,065.00</b>	<b>\$ 7,705.25</b>

## Exhibit C

**USA CAPITAL FIRST TRUST DEED FUND, LLC**  
**Summary of Fees By Person (law)**  
**June 1, 2006 - July 31, 2006**

Project Description	Total Time for the Period	Total Gross Fees for the Period	Total Net Fees for the Period
Analysis of FTD Fund Properties	10.1	\$2,070.50	\$1,759.93
Analysis of Restructuring/Litigation Alternatives	-	-	-
Analysis of Potential Purchase Offers	-	-	-
Analysis of Financing Alternatives	-	-	-
Attendance and Participation in Court Hearings	-	-	-
Analysis of Motions Filed in the Cases	-	-	-
Retention/Billing/Administrative Matters	-	-	-
Meetings/Teleconferences with Debtors and Debtors' Advisors	-	-	-
Meetings/Teleconferences with Committee and Committee's Advisors	-	-	-
Analysis of Distribution Issues	-	-	-
Analysis of Financial Information	-	-	-
	<b><u>10.1</u></b>	<b><u>\$ 2,070.50</u></b>	<b><u>\$ 1,759.93</u></b>

**Exhibit "E"**

Project Name	Date	Consultant	Matter	Hours	Description
USA Capital	6/4/2006	Gotthardt		7	1.1 Engagement letter drafting, comments & discussion
	6/5/2006	Gotthardt		2	0.8 review of MF Business Update
6/5/2006	Gotthardt			1	2.7 review of portfolio information, meeting summaries & other correspondence
6/7/2006	Gotthardt			1	1.3 Review of Franklin/Stratford emergency motion and follow-up discussions
6/7/2006	Gotthardt			1	1.0 Conference call with MF to discuss Franklin/Stratford and other loans
6/7/2006	Gotthardt			9	0.7 Conference call with ST and Wen to discuss recommendations to CC
6/8/2006	Gotthardt			1	0.3 Discussion with ST regarding extension vs. forebearance on certain loans
6/13/2006	Gotthardt			1	1.1 Review of loan portfolio information
6/15/2006	Gotthardt			1	0.8 Review of loan portfolio information
6/15/2006	Gotthardt			1	0.5 internal discussions regarding collateral adequacy
6/16/2006	Gotthardt			1	0.4 discussion with Aulabaugh regarding Hilco appraisals
6/19/2006	Gotthardt			1	1.7 review of collateral appraisals for 5 properties
6/19/2006	Gotthardt			1	0.4 discussion of collateral appraisal deficiencies with Aulabaugh
6/20/2006	Gotthardt			1	0.8 preparation of appraisal questions
6/22/2006	Gotthardt			1	0.3 review of appraisal issue prior to call
6/22/2006	Gotthardt			1	1.1 conf. call with Mesirow & Hilco re: appraisals
6/26/2006	Gotthardt			1	0.8 review and discussion of non-performing memo draft
6/26/2006	Gotthardt			1	1.1 review and discussion of additional funding loan information
6/26/2006	Gotthardt			1	0.5 review of various portfolio summary information
6/28/2006	Gotthardt			1	0.8 review and discussion of Hilco appraisal feedback
				1	0.4 discussion of content of appraisal feedback memo
				1	1.5 review and discussion of issues on additional funding loans
			Total Hours	20.1	

Project Name	Date	Consultant	Matter	Hours	Description
USA Capital	7/17/2006	Gothardt		1	1.9 review of multiple emails and attached documents backed up from previous two weeks
		Gothardt		1	1.6 review of multiple appraisal reviews and questions prepared for Mesrow
7/19/2006	Gothardt		1	1.1 Meeting with Aulabaugh to go over details of loans with specific funding request and appraisal review matters on other loans	
7/19/2006	Gothardt		1	2.4 Review of documents related to HFAH Monaco loan for purposes of Debtor's motion for forbearance	
7/20/2006	Gothardt		9	3.3 Preparation and participation in FTDF committee meeting	
7/20/2006	Gothardt		1	0.3 Conference call with debtors re: HFAH Monaco forbearance	
7/21/2006	Gothardt		1	0.6 review and revision of Response to Monaco request for forbearance	
7/21/2006	Gothardt		1	1.5 Review of Standard Development Motion of Relief from Stay and related loan docs and appraisal	
7/24/2006	Gothardt		1	0.8 Review of Wasco appraisal	
Gothardt			9	0.7 Discussions with Kvarda and Karsik on various matters	
Gothardt			1	0.3 Summary of questions related to HFA Monaco for Karsik	
Gothardt			1	0.3 review and follow-up of Allison declaration re: forbearance	
Gothardt			1	0.1 review of June 30 loan status report	
7/25/2006	Gothardt		9	0.9 Committee conference call	
7/26/2006	Gothardt		1	0.8 review of UHA DPO corresp., summary analysis and review of related appraisals	
7/26/2006	Gothardt		1	1.1 reading new appraisals and updating collateral over/under analysis	
7/27/2006	Gothardt		1	1.4 preparation for weekly call with Debtor regarding new funding requests, rev. reqs., appraisals, & other docs	
Gothardt			9	1.6 call with committees	
Gothardt			3	0.9 call with potential purchaser	
Gothardt			1	1.8 call with Eve, Jack, and Mary to discuss loans that require funding	
7/28/2006	Gothardt		9	0.2 Committee conference call	
Gothardt			7	0.3 review and coordination of various emails and documents from debtors and committee	
7/31/2006	Gothardt		1	0.7 Review LOIs	
Gothardt			3	0.4 Discussion of sale scenarios	
Gothardt			1	0.9 Analysis of discounted portfolio value	
					Total Hours
				25.9	

NAME: KVARDA

DESCRIPTION	MATTER CODE	DATE	TIME
PARTICIPATED IN DISCUSSION WITH COUNSEL RE: CURRENT RESTRUCTURING ISSUES TO BE ADDRESSED	2	6/1/2006	0.6
TOOK TELEPHONE CALL FROM COMMITTEE MEMBER RE: VARIOUS RESTRUCTURING ISSUES FACING THE COMMITTEE	2	6/1/2006	0.4
PARTICIPATED IN DISCUSSION WITH COUNSEL AND COMMITTEE MEMBER RE: CURRENT RESTRUCTURING ISSUES TO BE ADDRESSED	2	6/1/2006	0.4
ANALYZED MESIROW FINANCIAL PRESENTATION RE: CURRENT STATUS OF THE CASE AND NOTED QUESTIONS AND CONCERNSTHERETO	2	6/1/2006	0.8
ANALYZED MAY 26TH LOAN STATUS REPORT PREPARED BY MESIROW FINANCIAL AND NOTED FOLLOW-UP ITEMS THEREETO	1	6/1/2006	1.2
PERFORMED VARIOUS TASKS RELATED TO THE PREPARATION OF THE RETENTION DOCUMENTS IN THIS CASE	7	6/2/2006	0.8
HELD A TELEPHONE DISCUSSION WITH COUNSEL AND COMMITTEE MEMBER RE: CURRENT RESTRUCTURING ISSUES TO BE ADDRESSED	2	6/2/2006	0.6
DRAFTED CORRESPONDENCE TO MESIROW PERSONNEL RE: VARIOUS RESTRUCTURING ISSUES TO BE ADDRESSED	2	6/2/2006	0.7
HELD A TELEPHONE DISCUSSION WITH COUNSEL RE: CURRENT RESTRUCTURING ISSUES TO BE ADDRESSED	2	6/2/2006	0.4
ANALYZED VARIOUS DOCUMENTS RECENTLY FILED IN THE CASE AND NOTED QUESTIONS THEREETO	6	6/2/2006	0.9
PREPARED FOR TELECONFERENCE WITH MESIROW REPRESENTATIVES	8	6/3/2006	0.3
PARTICIPATED IN TELECONFERENCE WITH MESIROW REPRESENTATIVES	8	6/3/2006	0.9
DRAFTED MEMORANDUM TO COUNSEL SUMMARIZING CONVERSATION AND CONCERNS RE: ISSUES RAISED DURING TELECONFERENCE WITH MESIROW	8	6/4/2006	0.6
REVIEWED VARIOUS DOCUMENTS IN PREPARATION FOR MEETING WITH THE DEBTORS THE FOLLOWING DAY	8	6/4/2006	1.3
CONTINUED TO REVIEW AND ANALYZE VARIOUS DOCUMENTS IN PREPARATION FOR MEETINGS WITH DEBTOR LATER IN THE DAY	8	6/5/2006	0.8
PARTICIPATED IN MEETING WITH DEBTOR AND OTHER REPRESENTATIVES	8	6/5/2006	2.3
RETURNED VARIOUS EMAILS TO LEGAL COUNSEL RE: VARIOUS RESTRUCTURING ISSUES	2	6/5/2006	3.0
ANALYZED VARIOUS MOTIONS RECENTLY FILED IN THE CASE AND NOTED RESPONSES TO COMMITTEE COUNSEL	6	6/6/2006	0.7
PREPARED INITIAL DRAFT OF VARIOUS RETENTION DOCUMENTS	7	6/6/2006	0.9
TOOK TELEPHONE CALL FROM STUTMAN REPRESENTATIVES RE: VARIOUS RESTRUCTURING ISSUES	2	6/7/2006	0.4
REVIEWED REVISIONS TO RETENTION DOCUMENTS MADE BY STUTMAN FOR ACCEPTABILITY	7	6/7/2006	0.6
REVIEWED AND ANALYZED NEW 13-WEEK CASH FORECAST PREPARED IN THE CASE AND NOTED FOLLOW-UP QUESTIONS THEREETO	4	6/8/2006	1.6
PARTICIPATED IN TELECONFERENCE WITH MESIROW REPRESENTATIVES RE: 13 WEEK CASH FORECAST	4	6/8/2006	0.7

NAME: KVARDÅ

DESCRIPTION	MATTER CODE	DATE	TIME
HELD TELEPHONE DISCUSSION WITH STUTMAN REPRESENTATIVES RE: VARIOUS RESTRUCTURING ISSUES	2	6/9/2006	0.4
ANALYZED REVISED 13 WEEK CASH FLOW/FORECAST PREPARED BY MESIROW	4	6/12/2006	0.8
HELD TELEPHONE DISCUSSION WITH STUTMAN REPRESENTATIVES RE: VARIOUS RESTRUCTURING ISSUES	2	6/12/2006	0.4
DRAFTED MEMO TO COMMITTEE RE: ISSUES WITH REVISED 13 WEEK CASH FLOW/FORECAST REVISED AND FINALIZED RETENTION DOCUMENTS FOR COMMITTEE REVIEW	4	6/12/2006	0.7
REVIEWED DIP TERM SHEET AND NOTED ISSUES AND CONCERNs THERETO	7	6/12/2006	0.8
REVIEWED AND ANALYZED HOLD FUNDS MOTION AND NOTED QUESTIONS AND CONCERNs THERETO	4	6/12/2006	1.3
PREPARED FOR HEARINGS AND MEETINGS FOLLOWING DAY PARTICIPATED IN VARIOUS BANKRUPTCY COURT HEARINGS	6	6/12/2006	0.9
PARTICIPATED IN VARIOUS MEETINGS AND DISCUSSIONS WITH COMMITTEE MEMBERS AND VARIOUS PROFESSIONALS	5	6/14/2006	1.8
CONTINUED TO PARTICIPATE IN VARIOUS BANKRUPTCY COURT HEARINGS	5	6/15/2006	4.0
RETURNED EMAILS TO COMMITTEE COUNSEL RE: VARIOUS RESTRUCTURING ISSUES	2	6/15/2006	2.2
HELD MULTIPLE TELEPHONE DISCUSSIONS WITH COMMITTEE COUNSEL RE: VARIOUS RESTRUCTURING ISSUES	2	6/16/2006	0.8
PREPARED VARIOUS ANALYSES RELATED TO THE CURRENT STATUS OF THE FTDF LOANS PREPARED FOR TELECONFERENCE WITH THE DEBTOR AND THE OTHER COMMITTEE RE:	1	6/18/2006	0.6
VARIOUS RESTRUCTURING INITIATIVES PARTICIPATED IN TELECONFERENCE WITH THE DEBTOR AND THE OTHER COMMITTEE RE:	8	6/19/2006	0.7
VARIOUS RESTRUCTURING ALTERNATIVES CONTINUED TO PREPARE VARIOUS ANALYSES RELATED TO THE CURRENT STATUS OF THE FTDF LOANS	8	6/19/2006	1.8
PREPARED FOR MEETING LATER IN THE DAY WITH COMPANY REPRESENTATIVES RE: VARIOUS RESTRUCTURING INITIATIVES	1	6/19/2006	2.6
PARTICIPATED IN A PORTION OF MEETINGS WITH COMPANY REPRESENTATIVES RE: VARIOUS RESTRUCTURING INITIATIVES	8	6/20/2006	1.2
PARTICIPATED IN TELECONFERENCE WITH COMMITTEE COUNSEL AND POTENTIAL DIP FINANCING SOURCES	4	6/20/2006	1.8
REVIEWED AND ANALYZED VARIOUS INFORMATION PROVIDED BY MESIROW AND COMPANY PROFESSIONALS AND NOTED FOLLOW-UP ITEMS THERETO	2	6/20/2006	1.1
RETURNED VARIOUS EMAILS TO COMMITTEE PROFESSIONALS RE: DIP FINANCING AND STATUS OF MEETINGS WITH MESIROW	2	6/20/2006	0.6
REVIEWED LATEST DRAFT OF RESPONSE TO COMMITTEE OBJECTIONS FILED BY THE DEBTORS AND NOTED REMAINING ISSUES THERETO RE: DIP FINANCING	6	6/20/2006	1.3
REVIEWED VARIOUS DOCUMENTS IN PREPARATION FOR COURT HEARINGS THE FOLLOWING DAY	5	6/20/2006	0.7

NAME: KVARDA

DESCRIPTION	MATTER CODE	DATE	TIME
PARTICIPATED IN A MEETING WITH THE DEBTORS' PROFESSIONALS AND DIVERSIFIED COMMITTEE IN AN ATTEMPT TO RESOLVE REMAINING ISSUES RE: DIP FINANCING ATTENDED VARIOUS HEARINGS IN THE DAY RE: DIP FINANCING, COMMITTEE ISSUES, CASH COLLATERAL AND OTHER RESTRUCTURING ISSUES	8	6/21/2006	1.1
UPDATED VARIOUS ANALYSES IN PREPARATION FOR TELECONFERENCE WITH COMMITTEE LATER IN THE DAY	5	6/21/2006	8.0
PARTICIPATED IN A TELECONFERENCE WITH THE COMMITTEE RE: VARIOUS RESTRUCTURING ISSUES	9	6/22/2006	1.3
HELD TELEPHONE DISCUSSIONS WITH POTENTIAL DIP FINANCING SOURCES AND TAKE-OUT LENDERS	9	6/22/2006	1.9
HELD A TELEPHONE DISCUSSION WITH COMMITTEE CHAIR RE: VARIOUS RESTRUCTURING ISSUES	4	6/22/2006	0.7
SUPPLEMENTED VARIOUS ANALYSES PREPARED FOR THE COMMITTEE IN RESPONSE TO CERTAIN COMMENTS RECEIVED FROM COMMITTEE MEMBERS	2	6/22/2006	0.3
HELD A TELEPHONE DISCUSSION WITH COMMITTEE COUNSEL RE: VARIOUS RESTRUCTURING ISSUES	2	6/23/2006	0.4
HELD FOLLOW-UP TELEPHONE DISCUSSIONS WITH POTENTIAL DIP FINANCING SOURCES AND TAKE-OUT LENDERS	4	6/23/2006	0.6
HELD A FOLLOW-UP DISCUSSION WITH POTENTIAL DIP LENDER	4	6/26/2006	0.4
REVIEWED SUMMARY OF PRIOR WEEK'S HEARING PREPARED BY COUNSEL AND NOTED COMMENTS THERETO	5	6/26/2006	0.4
PARTICIPATED IN DISCUSSION WITH COMMITTEE COUNSEL RE: VARIOUS RESTRUCTURING ALTERNATIVES	2	6/26/2006	0.4
PARTICIPATED IN FOLLOW-UP DISCUSSION WITH COMMITTEE COUNSEL RE: VARIOUS RESTRUCTURING ALTERNATIVES	2	6/26/2006	0.4
RETURNED EMAIL TO COMMITTEE COUNSEL AND COMMITTEE MEMBERS RE: VARIOUS RESTRUCTURING ALTERNATIVES	2	6/26/2006	0.6
REVIEWED MEMORANDUM AND NOTED COMMENTS AND REVISIONS THERETO RE: STATUS OF NON-PERFORMING LOANS	1	6/27/2006	0.8
RETURNED EMAILS TO COMMITTEE COUNSEL RE: VARIOUS RESTRUCTURING ALTERNATIVES FURTHER REVIEWED AND REVISED MEMORANDUM RE: STATUS OF VARIOUS NON-PERFORMING LOANS	1	6/28/2006	1.1
HELD MULTIPLE DISCUSSIONS WITH COMMITTEE COUNSEL RE: VARIOUS RESTRUCTURING ISSUES	2	6/28/2006	0.8
RETURNED EMAILS TO COMMITTEE COUNSEL AND COMMITTEE CHAIR RE: VARIOUS RESTRUCTURING ISSUES	2	6/28/2006	0.4
RETURNED TELEPHONE CALLS TO POTENTIAL DIP LENDERS AND TAKE OUT FINANCING PREPARED FOR TELECONFERENCE RE: VARIOUS RESTRUCTURING ISSUES	4	6/28/2006	0.4
PARTICIPATED IN TELECONFERENCE RE: VARIOUS RESTRUCTURING ISSUES	2	6/29/2006	0.7
PARTICIPATED IN FOLLOW-UP CALL WITH COMMITTEE COUNSEL AND COMMITTEE CHAIR RE: VARIOUS RESTRUCTURING ISSUES	2	6/29/2006	1.9
		6/29/2006	0.4

**NAME: KVARDÅ**

DESCRIPTION	MATTER CODE	DATE	TIME
REVIEWED AND ANALYZED STATEMENTS AND SCHEDULES FILED IN THE CASE AND NOTED FOLLOW-UP QUESTIONS THERETO	11	6/29/2006	0.7
RETURNED EMAILS TO VARIOUS PARTIES IN INTEREST IN THE CASE	2	6/29/2006	0.7
REVIEWED VARIOUS APPRAISAL SUMMARIES AND NOTED ITEMS FOR FOLLOW-UP THE FOLLOWING DAY	1	6/29/2006	0.6
PREPARED FOR COMMITTEE TELECONFERENCE LATER IN THE DAY	9	6/30/2006	0.6
PARTICIPATED IN COMMITTEE TELECONFERENCE	9	6/30/2006	1.7

80.9

**NAME: KVARDA**

DESCRIPTION	MATTER CODE	DATE	TIME
HELD MULTIPLE DISCUSSIONS WITH COMMITTEE COUNSEL RE: VARIOUS RESTRUCTURING ISSUES	2	7/5/2006	1.2
ANALYZED VARIOUS ISSUES RELATED TO COLLECTIONS TO DATE ON FDF LOANS	1	7/5/2006	1.4
RETURNED EMAILS TO COMMITTEE COUNSEL AND COMMITTEE CHAIR RE: VARIOUS RESTRUCTURING ISSUES	2	7/5/2006	0.9
ADDRESSED VARIOUS BILLING MATTERS	7	7/5/2006	0.8
BEGAN TO PREPARE VARIOUS SUPPLEMENTAL ANALYSES RELATED TO THE LOANS REQUESTED BY COMMITTEE COUNSEL AND COMMITTEE MEMBERS	1	7/6/2006	0.7
HELD MULTIPLE DISCUSSIONS WITH COMMITTEE COUNSEL RE: VARIOUS RESTRUCTURING ISSUES	2	7/6/2006	0.7
CONTINUED TO PREPARE VARIOUS SUPPLEMENTAL ANALYSES RELATED TO THE LOANS REQUESTED BY COMMITTEE COUNSEL AND COMMITTEE MEMBERS	1	7/6/2006	0.6
PARTICIPATED IN MULTIPLE TELEPHONE DISCUSSIONS WITH COMMITTEE COUNSEL RE: VARIOUS RESTRUCTURING ISSUES	2	7/7/2006	1.3
RETURNED EMAILS TO COMMITTEE COUNSEL AND COMMITTEE MEMBERS RE: VARIOUS RESTRUCTURING ISSUES	2	7/7/2006	0.6
ANALYZED DRAFT OF FDF STATEMENTS AND POST-PETITION INFORMATION AND NOTED FOLLOW-UP ITEMS THERETO	10	7/7/2006	0.7
BEGAN TO PREPARE DRAFT OF MEMORANDUM TO COMMITTEE RE: VARIOUS RESTRUCTURING ISSUES IN THE CASE	2	7/8/2006	2.3
PREPARED VARIOUS ANALYSES TO INCLUDE IN MEMORANDUM TO THE COMMITTEE RE: VARIOUS RESTRUCTURING ISSUES	2	7/8/2006	1.7
FINALIZED MEMORANDUM TO COMMITTEE RE: VARIOUS RESTRUCTURING ISSUES IN THE CASE PREPARED FOR MEETINGS LATER IN THE DAY WITH THE COMMITTEES AND THE DEBTORS	2	7/8/2006	2.1
PARTICIPATED IN PRE-MEETING WITH COMMITTEE	8	7/11/2006	1.4
PARTICIPATED IN MEETING WITH COMMITTEES AND DEBTORS	9	7/11/2006	1.8
PREPARED FOR MEETING LATER IN THE DAY WITH DEBTORS	8	7/11/2006	4.1
PARTICIPATED IN MEETINGS WITH DEBTORS	8	7/12/2006	1.4
PARTICIPATED IN TELEPHONE DISCUSSION WITH COMMITTEE COUNSEL	8	7/12/2006	2.6
PARTICIPATED IN DISCUSSION WITH COMMITTEE COUNSEL AND COMMITTEE CHAIR	9	7/12/2006	0.6
ANALYZED VARIOUS ISSUES RELATED TO POTENTIAL LITIGATION IN THE CASE	2	7/12/2006	1.6
BEGAN TO PREPARE PRESENTATION TO COMMITTEE RE: VARIOUS POTENTIAL LITIGATION IN THE CASE	2	7/13/2006	2.3
RETURNED VARIOUS EMAILS TO COMMITTEE COUNSEL RE: VARIOUS RESTRUCTURING ISSUES	2	7/13/2006	0.8
RETURNED VARIOUS EMAILS TO COMMITTEE MEMBERS RE: VARIOUS RESTRUCTURING ISSUES	2	7/13/2006	0.7
FINALIZED PRESENTATION TO COMMITTEE RE: VARIOUS POTENTIAL LITIGATION IN THE CASE	2	7/14/2006	2.2
PREPARED FOR TELECONFERENCE WITH COMMITTEE RE: VARIOUS RESTRUCTURING ISSUES	2	7/14/2006	1.1

NAME: KVARDÅ

DESCRIPTION	MATTER CODE	DATE	TIME
PARTICIPATED IN TELECONFERENCE WITH COMMITTEE MEMBERS AND COMMITTEE COUNSEL RE: VARIOUS RESTRUCTURING ISSUES	2	7/14/2006	0.8
RETURNED VARIOUS EMAILS TO COMMITTEE MEMBERS RE: VARIOUS RESTRUCTURING ISSUES	2	7/17/2006	0.8
PARTICIPATED IN MULTIPLE DISCUSSIONS WITH COMMITTEE COUNSEL RE: VARIOUS RESTRUCTURING ISSUES	2	7/17/2006	1.3
REVIEWED AND ANALYZED DRAFT PLAN TERM SHEET PREPARED BY COMMITTEE COUNSEL AND NOTED COMMENTS AND POTENTIAL REVISIONS THERETO	2	7/17/2006	2.6
PREPARED UPDATED APPRIASAL SUMMARY IN PREPARATION FOR COMMITTEE MEETING LATER IN THE WEEK	1	7/18/2006	1.4
PREPARED LISTING OF OUTSTANDING INFORMATION REQUESTS FROM MESIROV	11	7/18/2006	0.7
HELD MULTIPLE TELEPHONE DISCUSSIONS WITH COMMITTEE COUNSEL RE: VARIOUS RESTRUCTURING INITIATIVES	2	7/18/2006	1.3
PREPARED VARIOUS ANALYSES TO BE DISCUSSED AT COMMITTEE MEETING THE FOLLOWING DAY	9	7/19/2006	2.1
CONTINUED TO PREPARE VARIOUS ANALYSES TO BE DISCUSSED AT COMMITTEE MEETING THE FOLLOWING DAY	9	7/19/2006	2.3
RETURNED EMAILS TO COMMITTEE COUNSEL RE: VARIOUS RESTRUCTURING ISSUES	2	7/19/2006	0.8
RETURNED EMAILS TO COMMITTEE MEMBERS RE: VARIOUS RESTRUCTURING ISSUES	2	7/19/2006	0.6
PREPARED FOR MEETING LATER IN THE DAY WITH COMMITTEE MEMBERS	9	7/20/2006	1.3
PARTICIPATED IN PORTION OF TELECONFERENCE WITH COMMITTEE AND COMMITTEE COUNSEL	9	7/20/2006	0.8
PARTICIPATED IN MEETINGS WITH COMMITTEE, COMMITTEE COUNSEL AND COUNSEL FOR DIRECT LENDERS	9	7/20/2006	3.2
MET WITH POTENTIAL PURCHASER	3	7/21/2006	0.7
PARTICIPATED IN TELECONFERENCE WITH COMMITTEES AND DEBTORS	8	7/21/2006	1.2
PARTICIPATED IN TELECONFERENCE WITH COMMITTEE COUNSEL AND COMMITTEE CHAIR RE: VARIOUS RESTRUCTURING ISSUES	2	7/21/2006	0.8
REPLIED TO VARIOUS EMAILS FROM COMMITTEE COUNSEL RE: VARIOUS RESTRUCTURING ISSUES	2	7/22/2006	0.7
ATTENDED TO VARIOUS BILLING MATTERS	7	7/22/2006	0.4
REVIEWED AND ANALYZED THE RECENT OPERATING BUDGET PREPARED BY MESIROV AND NOTED VARIOUS ISSUES AND FOLLOW-UP ITEMS THERETO	4	7/22/2006	1.7
DRAFTED VARIOUS FOLLOW-UP INFORMATION REQUESTS	11	7/22/2006	1.1
HELD A TELEPHONE DISCUSSION WITH COMMITTEE COUNSEL RE: ISSUES RELATED TO THE OPERATING BUDGET	4	7/22/2006	0.6
RETURNED EMAILS TO COMMITTEE COUNSEL AND COMMITTEE CHAIR RE: VARIOUS RESTRUCTURING ISSUES	2	7/23/2006	0.8
TOOK A CALL FROM COMMITTEE COUNSEL RE: VARIOUS RESTRUCTURING ISSUES	2	7/24/2006	0.4
ANALYZED VARIOUS EMAILS AND ATTACHMENTS THERETO FROM VARIOUS PARTIES IN INTERES	2	7/24/2006	0.9
TIN THE CASE			

NAME: KVARD

DESCRIPTION	MATTER CODE	DATE	TIME
PARTICIPATED IN TELEPHONE DISCUSSION WITH DEBTORS' PROFESSIONALS RE: WEEKLY OPERATING BUDGET	4	7/24/2006	0.3
REVIEWED AND REVISED PLAN TERM SHEET HELD DISCUSSION WITH COMMITTEE COUNSEL RE: PLAN TERM SHEET AND WEEKLY OPERATING BUDGET	2	7/24/2006	1.3
RETURNED EMAILS TO COMMITTEE COUNSEL RE: VARIOUS RESTRUCTURING ISSUES PREPARED ANALYSIS OF APPRAISED VALUE TO LOAN PRINCIPAL	2	7/24/2006	0.6
PARTICIPATED IN COMMITTEE CALL	2	7/25/2006	0.8
DRAFTED EMAIL TO COMMITTEE RE: VARIOUS FOLLOW-UP ISSUES TO CONFERENCE CALL	1	7/25/2006	0.7
PARTICIPATED IN TELECONFERENCE WITH COMMITTEE COUNSEL	9	7/25/2006	0.4
REVIEWED AND COMMENTED RE: CASH COLLATERAL MOTION	9	7/25/2006	0.8
REVIEWED AND COMMENTED RE: DISTRIBUTION MOTION	9	7/25/2006	0.8
PARTICIPATED IN TELECONFERENCE RE: MOTION TO DISTRIBUTE	9	7/25/2006	0.8
HELD A TELEPHONE DISCUSSION WITH POTENTIAL PURCHASER RE: VARIOUS ISSUES ANALYZED LETTER OF INTENT FROM PROSPECTIVE PURCHASER AND NOTED FOLLOW-UP COMMENTS AND QUESTIONS THERETO	9	7/26/2006	0.6
PARTICIPATED IN TELECONFERENCE WITH POTENTIAL PURCHASER RE: VARIOUS ISSUES	4	7/27/2006	0.6
RETURNED EMAILS TO COMMITTEE COUNSEL RE: VARIOUS RESTRUCTURING ISSUES ANALYZED LETTER OF INTENT FROM PROSPECTIVE PURCHASER AND NOTED FOLLOW-UP COMMENTS AND QUESTIONS THERETO	2	7/27/2006	0.9
FURTHER ANALYZED DISTRIBUTION MECHANICS FOR FTDF FUND AND BEGAN TO PREPARE ANALYSIS THEREOF	4	7/28/2006	0.7
DRAFTED REPLIES TO VARIOUS EMAILS RECEIVED FROM COMMITTEE COUNSEL	10	7/31/2006	1.9
DRAFTED REPLIES TO VARIOUS EMAILS RECEIVED FROM COMMITTEE MEMBERS ANALYZED VARIOUS DISTRIBUTION INFORMATION PREPARED BY MESIROV AND NOTED QUESTIONS AND ISSUES THERETO	2	7/31/2006	0.8
	2	7/31/2006	0.6
	10	7/31/2006	4.8

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Project Name	Date	Task	Consultant	Master Code	Hours	Description
USA Capital	6/1/2006	Aulabaugh			7	1.8 CC to discuss case
	6/2/2006	Aulabaugh			2	2.1 review Debtor presentation
					7	0.6 internal discussions
	6/4/2006	Aulabaugh			7	0.3 CC on upcoming Committee meeting
					9	0.3 review MK notes on Mesirow call on Saturday
	6/7/2006	Aulabaugh			1	0.8 review motion on the Franklin/Stratford property sale and funding
					1	1.1 research market data relating to Franklin/Stratford property sale
					1	0.3 conversation with MK on Franklin/Stratford sale issues
					1	1.2 review purchase agreement, contractor draw schedule, counter offer, etc.
	6/8/2006	Aulabaugh			1	0.6 research comps on Franklin/Stratford deal
					1	2.2 reading deed of Trust on Franklin/Stratford Investments LLC
					1	0.7 develop questions for call with developer
					1	1.1 Conference call with Franklin/Stratford developer
					1	0.7 CC with Stutman and Committee to discuss earlier call
	6/9/2006	Aulabaugh			1	3.4 reviewing loan docs on Amesberry HattersPoint and Franklin/Stratford legal description
					1	0.8 email correspondence about the various loans and follow up on Franklin/Stratford legal description
	6/12/2006	Aulabaugh			1	4.2 review various loan documents relating to Amesberry, Franklin/Stratford and Homes for America info
	6/13/2006	Aulabaugh			6	3.7 review motions filed
	6/14/2006	Aulabaugh			1	0.6 Conversation with Debtor's Advisor relating to release of appraisal and Stratford loan reserve
					1	0.3 Call with Stutman relaying conversations with Debtor and FTI Consulting
					1	0.4 Call with FTI Consulting on Stratford Loan
	6/15/2006	Aulabaugh			9	0.2 conversation with Stutman
					9	1.1 Conference call of debtor/creditor meeting
	6/16/2006	Aulabaugh			1	0.8 review Shamrock Tower appraisal
					1	1.1 review HFA Monaco appraisal
					1	1.1 review 10.23 acre site in Gilroy appraisal
					1	1.3 review Lake Helen appraisal
					1	0.6 Communication with Stutman
	6/17/2006	Aulabaugh			1	2.7 Draft comments on Shamrock, HFA Monaco, vacant site in Gilroy and Lake Helen appraisals
	6/19/2006	Aulabaugh			8	1.1 weekly debtor call
					1	0.8 finish drafting comments on appraisals
					1	1.2 review HFA Monaco loan docs
	6/20/2006	Aulabaugh			1	3.2 review non-performing loan portfolio and travel to LV to meet with Debtor
					1	2.4 meet with debtor
					1	1.3 review loan support files for Stratford and Comvest

3.2 travel home from LV and review of meeting notes from Debtor meeting		
6/21/2006	Aulabaugh	1 2.7 reviewing (4) appraisals and drafting appraisal questions for Hilco
6/22/2006	Aulabaugh	1 1.1 CC with Mesirov and Hilco regarding aforementioned appraisals
		1 2.1 begin drafting memo regarding non-performing loans
		1 0.7 review loans requesting additional funding
6/23/2006	Aulabaugh	1 0.9 CC with Mesirov about non-performing loans
		1 2.8 drafting non-performing loan memo
		1 1.4 begin reviewing loan docs requesting additional funding
6/26/2006	Aulabaugh	1 3.2 continue non-performing loan memo draft
		1 0.4 speak with MF about appraisal timing and response to questions
		9 0.4 Conference call with Stulman regarding plan, DIP and strategy
6/27/2006	Aulabaugh	1 1.3 review comments from Hilco regarding appraisals
		1 2.3 reviewing loan docs on additional funding loans
		1 1.7 initial memo drafting on appraisals
6/28/2006	Aulabaugh	1 2.2 finalize non-performing loan memo
		1 1.4 work on appraisal memo
		1 1.6 begin reviewing new appraisals
6/29/2006	Aulabaugh	1 1.2 reviewing rio rancho appraisal
		1 1.1 reviewing comwest condo appraisal
		1 0.8 reviewing amesbury appraisal
		1 3.6 reviewing loan documents relating to non-performing loan portfolio
6/30/2006	Aulabaugh	9 1.9 Conference call with Committee
		1 0.4 Conference call with Monty at Mesirov
		1 3.2 continue to review loan documents and supporting information relating
		1 1.4 Discussion with David Herr of Westland Corp. to discuss Huntsville loan
		Total Hours

Project Name	Date	Task	Consultant	matter	Hours	Description
USA Capital	7/5/2006	Aulabaugh		1.2 CC to discuss Huntsville negotiations; discuss appraisal timing	1	1.4.6 review recently received appraisals
				1.3.2 drafting appraisal comment presentation for committee	1	
				1.1.2 various conference calls and email communication with Mesirrow regarding a variety of loans	1	
7/6/2006		Aulabaugh		4.8 reviewing appraisals	1	4.2 work on appraisal presentation
				0.9 discussions with Mesirrow on appraisals and loan details	1	
7/7/2006		Aulabaugh		1 6.7 work on appraisal analysis presentation	1	
				3.4 begin reviewing new appraisals	1	
7/10/2006		Aulabaugh		1 2.6 reading/reviewing motions filed by debtor and Stutman	1	
				5.3 Reviewing new appraisals	1	
7/11/2006		Aulabaugh		1 4.1 meeting with debtor	1	
				9 1.8 meeting with FTDF committee	1	
				9 1.2 prepare for committee meeting	1	
				9 2.1 review motions, Stutman memos and our presentation	1	
7/12/2006		Aulabaugh		1 2.6 meeting with debtor to discuss loan negotiations, etc.	1	
				1 3.2 begin reviewing new appraisals	1	
				1 2.2 follow up with Mesirrow regarding certain loan questions (Harbor Georgetown, Interstate Phase II and Huntsville)	1	
7/13/2006		Aulabaugh		1 1.4 reviewing staff remarks on certain appraisals	1	
				1 2.6 reviewing loan docs on Harbor Georgetown, Interstate Phase II and Huntsville	1	
7/14/2006		Aulabaugh		9 1.6 CC with Committee	1	
				1 1.3 researching Eagle Meadow loan docs to better understand appraisal value	1	
				1 2.2 reviewing appraisal comments from staff on Tapia Ranch and Castaic Partners II	1	
				1 3.3 researching loan docs relating to Anchor B, Gramercy and Sharmrock (all related to Tracy Stuttles)	1	
7/16/2006		Aulabaugh		1 2.2 review appraisals of Roam Development, Midvale and J. Jiften	1	
7/17/2006		Aulabaugh		1 1.4 review Harbor Georgetown Loan	1	
				1 0.7 reviewing LOI for payoff on Tapia Ranch	1	
				1 2.7 understanding loan support documents relating to Cloudbreak, Bysyney and J. Jiften	1	
7/18/2006		Aulabaugh		9 0.8 CC with Committee and Counsel (Mary and Eve)	1	
				1 0.7 Call with Mesirrow relating to Castaic and Eagle Meadows and Monaco Forbearance agreement	1	
				1 2.6 reviewing Castaic Partners III appraisal	1	
				1 2.9 Elizabeth May appraisal, Franklin Stratford and Roam Development	1	
				1 1.4 communications with Stutman and Mesirrow	1	
7/19/2006		Aulabaugh		1 0.7 internal conversation about funding requests	1	
				8 0.8 debtor call	1	
				1 0.4 review updated funding requirements	1	
				1 2.2 appraisal reviews	1	
				1 3.6 research and understand loan support info on several loans sent over from Mesirrow on 7/18	1	
7/25/2006		Aulabaugh		1 0.6 review Franklin Stratford release clauses in loan	1	
				1 0.4 review appraisal summary and update summary totals	1	

		1	0.6 review and respond to Mesifrow comments about Roam Development
7/26/2006	Aulabaugh	1	0.3 internal discussion about loans needs funding
		1	0.9 review loan information sent by Mesifrow
7/31/2006	Aulabaugh	1	1.2 CC to discuss Huntsville negotiations; discuss appraisal timing
		1	2.6 review recently received LOIs from potential purchasers
	<b>Total Hours</b>		<b>97.4</b>

Project Name	Date	Task	Consultant	Matter	Hours	Description
USA Capital	6/4/2006		Peterson		1	1.8 analyzed loan documents for various FTDF loans and noted areas of follow-up thereto
	6/5/2006		Peterson		9	3.4 participated in various creditor meetings
	6/6/2006		Peterson		1	1.1 continued to analyze loan documents for various FTDF loans and noted areas of follow-up thereto
		Total Hours			6.3	

Project Name	Date	Consultant	Matter	Hours	Description
USA Capital	7/13/06	Peterson		1	Review appraisals rec'd from Mesriow to determine validity, reliability and omissions. Write up analysis of appraisal, questions for appraiser and questions re. project.
	7/14/2006	Peterson		1	Review appraisals rec'd from Mesriow to determine validity, reliability and omissions. Write up analysis of appraisal, questions for appraiser and questions re. project.
	7/15/2006	Peterson		1	Review appraisals rec'd from Mesriow to determine validity, reliability and omissions. Write up analysis of appraisal, questions for appraiser and questions re. project.
	7/18/2006	Peterson		1	Discuss appraisal review w/ Dirk Aulabaugh.
	7/20/2006	Peterson		1	Review appraisal comments and write up questions for appraisers.
	7/21/2006	Peterson		1	Review appraisals rec'd from Mesriow to determine validity, reliability and omissions. Write up analysis of appraisal, questions for appraiser and questions re. project.
	7/31/2006	Peterson		1	Review appraisals rec'd from Mesriow to determine validity, reliability and omissions. Write up analysis of appraisal, questions for appraiser and questions re. project.
		Peterson		1	Review appraisals rec'd from Mesriow to determine validity, reliability and omissions. Write up analysis of appraisal, questions for appraiser and questions re. project.
		Peterson		1	Review appraisals rec'd from Mesriow to determine validity, reliability and omissions. Write up analysis of appraisal, questions for appraiser and questions re. project.
		Peterson		1	Review appraisals rec'd from Mesriow to determine validity, reliability and omissions. Write up analysis of appraisal, questions for appraiser and questions re. project.
					Total Hours
					19.60

Project Name	Date	Code	Consultant	Waver	Description
USA Capital	7/6/2006		Ian	1	2.60 Update loan information and descriptions on Powerpoint file
				1	3.30 Reformat, revise and organize appraisal summary spreadsheet
					5.90
7/7/2006			Ian	1	2.40 Powerpoint and appraisal summary spreadsheet revisions
7/14/2006			Ian	1	1.80 Review and upload appraisal reports received
					10.10
					Total Hours

**Exhibit "F"**



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## PROFESSIONALS

### MANAGING DIRECTORS

#### Gregory Gotthardt

Managing Director



Greg Gotthardt, a Managing Director with Alvarez & Marsal Real Estate Advisory Services, LLC in Los Angeles, leads the firm's West Coast real estate practice. Mr. Gotthardt focuses on providing strategic real estate advice and capital acquisition services to corporate and real estate clients.

With more than 20 years of real estate experience, Mr. Gotthardt has deep expertise in acquisitions and dispositions, investment due diligence, appraisals, as well as market and financial feasibility studies related to development, financing, litigation, acquisitions and dispositions. He has helped many institutions to purchase, manage, and sell real estate and real estate loan portfolios. His experience includes a variety of land uses with an emphasis on office, industrial, commercial/retail, residential master-planned communities, and golf properties.

Some of Mr. Gotthardt's notable clients have included large real estate owners, investors and developers such as The Boeing Company, Northrop Grumman, The Irvine Company, Amgen, Bank of America, the Department of Defense, and Lennar Homes.

Prior to joining A&M, Mr. Gotthardt was a Partner with the Real Estate Advisory Services practice of E&Y Kenneth Leventhal Real Estate Group, where he directed the firm's transaction advisory and capital markets activities on the West Coast.

Mr. Gotthardt holds a bachelor's degree in finance from San Diego State University. He serves as a Board member of the University of Southern California's Lusk Center for Real Estate, and as a member of its Leadership Council. He is also a member of real estate professional organizations, including Counselors of Real Estate, Urban Land Institute, and the Appraisal Institute. Mr. Gotthardt is a licensed real estate broker and appraiser in California.

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### DIRECTORS

#### Matt Kvarda

Director



Matt Kvarda, a Director at Alvarez & Marsal, LLC, specializes in business valuations, development of short-term and long-term cash flow forecasts, as well as the development, analysis and critique of business plans. He brings significant hands-on experience in the preparation of confidential information memoranda for the sale of companies, business segment profitability analysis and expert witness testimony with respect to plan feasibility, liquidation analyses and going concern values.

With more than 11 years of restructuring experience prior to joining A&M, Mr. Kvarda has acted as both a principal, advisor and expert witness in myriad turnaround, restructuring and reorganization situations. Most recently, Mr. Kvarda led the successful restructuring and reorganization of Daewoo Motor America, Inc., an \$800 million distributor of automobiles and related parts in the United States. He also had a significant role in numerous other restructuring assignments including Liberty House, Inc., Party America, Inc., Aladdin Gaming, Fitzgerald's Gaming Corp., Southern California Edison, Fountain View, Inc., Integrated Resources and Manchester Center.

Previously, Mr. Kvarda was a Director in the restructuring practice of a Big Four accounting and consulting firm. He also served as an Assistant Vice President in the Special Assets Group of Bank of America.

Mr. Kvarda holds a B.A. degree in Economics from the University of California, San Diego and an M.B.A. in Finance from the University of California, Los Angeles. He is a Certified Insolvency and Restructuring Advisor (with distinction) and is a member of the Association of Insolvency and Restructuring Advisors. Mr. Kvarda has also participated in and chaired various seminars dealing with a variety of restructuring and reorganization related topics.

Email: [mkvarda@alvarezandmarsal.com](mailto:mkvarda@alvarezandmarsal.com)

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## PROFESSIONALS

### DIRECTORS

#### Dirk Aulabaugh

Director



Dirk Aulabaugh is a Senior Director with Alvarez & Marsal Real Estate Advisory Services, LLC based in Los Angeles. He provides strategic real estate counseling advice to a national client base including corporations, real estate investors, developers and major REITs.

Mr. Aulabaugh's primary areas of focus are real estate restructuring, acquisitions and dispositions, financial due diligence, litigation support, financial reporting advisory as it relates to tangible assets and expert testimony in civil and bankruptcy courts.

With more than 14 years of experience, Mr. Aulabaugh has advised on sale-leaseback transactions, performed disposition services and conducted financial due diligence on a variety of complex real estate transactions. He has advised debtors, secured and unsecured lenders on real estate workout options within a bankruptcy context, and has been involved in real estate arbitration proceedings.

Mr. Aulabaugh is a member of real estate professional organizations including the Counselors of Real Estate and the Appraisal Institute, and holds associate memberships with National Association Real Estate Investment Trusts (NAREIT), Urban Land Institute (ULI) and the International Council of Shopping Centers. He is also a member of the Association of Insolvency and Restructuring Advisors (AIRA) and the Turnaround Management Association (TMA). Mr. Aulabaugh is a licensed real estate broker in California.

He has been quoted on real estate trends in The Wall Street Journal and wsj.com, and he appeared on CNBC's Closing Bell as a guest to discuss real estate market conditions.

Mr. Aulabaugh earned a bachelor's degree in business administration in finance and a master's of business administration in real estate from the University of Florida.

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## PROFESSIONALS

### DIRECTORS

#### Stephen Peterson

Director



Steve Peterson is a Director with Alvarez & Marsal Real Estate Advisory Services, LLC, based in Los Angeles. He provides acquisition and loan portfolio due diligence, valuation, disposition, restructuring, and financial analysis services to institutional real estate investors, including pension advisors.

With more than 20 years of broad real estate analytical experience, Mr. Peterson has performed acquisition due diligence, valuation and appraisal, underwriting, financial and market feasibility studies, troubled debt restructurings, litigation support services and loan securitization due diligence for real estate assets. Mr. Peterson has also prepared financing packages and sales packages for real estate assets.

Mr. Peterson's experience includes analysis of office buildings, industrial / warehouse / research and development properties, apartments, retail centers, hotels, land and leases. He has performed acquisition due diligence for over sixty institutional-grade real estate assets, including office, retail, multi-family and industrial properties in fifteen states, with a total value in excess of \$1.5 billion.

Prior to joining A&M, Mr. Peterson provided acquisition due diligence, valuation, disposition and analytical services to a national pension fund advisor. Mr. Peterson began his real estate career with eight years of experience in the consulting department of Kenneth Leventhal & Company, a national certified public accounting firm specializing in real estate, which was acquired by Ernst & Young.

Mr. Peterson earned a bachelor's degree in English literature and a master's degree in business administration from California State University, Fresno. Mr. Peterson is a Certified Public Accountant (CPA) in California, a Certified General Real Estate Appraiser in California and a Certified Management Accountant. Mr. Peterson is a member of the Counselors of Real Estate, the American Institute of Certified Public Accountants, the California Society of Certified Public Accountants and the Institute of Management Accountants.

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**Exhibit "G"**

Exhibit G

USA CAPITAL FIRST TRUST DEED FUND, LLC  
Summary of Expenses  
June 1, 2006 - July 31, 2006

Expense Category	Total Expense
Airfare	\$ 1,563.90
Rental Car	227.99
Lodging	162.55
Out-of-Town Meals	129.01
Taxi/Cab Fare	92.00
Parking	100.00
Mileage	36.79
Supplies	
Telephone/Conference Calls	
Overnight Mail	22.44
Other	5.00
	<u>\$ 2,339.68</u>